

Charter

IOWA DEPARTMENT OF NATURAL RESOURCES 2014 AIR QUALITY STAKEHOLDER GROUP

PURPOSE

The Director of the Iowa Department of Natural Resources (DNR) has been directed to assemble this stakeholder group for the purposes of studying the funding of the air quality programs administered by the DNR (2014 Iowa General Assembly, House File 2473). The stakeholder group is directed to develop recommendations for funding the air quality program for next year and beyond. The department is tasked with submitting a written report to the General Assembly regarding the findings and recommendations of the stakeholder group by December 1, 2014. However, to make a timely recommendation that may be acted upon by the 2015 session of the General Assembly, the Director recommends that the final report be completed and submitted to the DNR no later than November 1, 2014.

Stakeholder group membership has been determined by the Director of the DNR. The stakeholder group's membership is composed of a broad selection of those who use air quality bureau services including: small and large businesses, associations, local governments, non-governmental organizations, and the general public. Non-members may attend for the purposes of observing the stakeholder group's discussions.

BACKGROUND

Since 1996, when the state was delegated the federally mandated air quality Title V Operating Permit program, air pollution emission fees (Title V fees) collected annually have supported about 75% of the air quality bureau activities. These fees fund air quality bureau activities related to Title V facilities including: Title V operating permit application review and permitting; air construction application review and permitting; Prevention of Significant Deterioration (PSD) application review and permitting, compliance monitoring and assistance, and; all other bureau activities associated with Title V facilities.

Title V fees also pay for compliance assistance provided to non-Title V facilities (required by Clean Air Act (section 507)). The remainder of bureau's activities (all other activities association with non-Title V or "minor" facilities) are funded approximately equally by federal grants matched with state funds.

Emissions from Title V facilities have declined since FY 2007 and are projected to continue to decrease due to existing federal regulations. Emissions subject to fees peaked at over 242,000 tons in 2005, and have declined by 37% (through 2013), and will level off at less than 60% of 2005 levels by 2016.

Title V fees held at the same rate for the past 4 years (\$56/ton). Implementation of program efficiencies have allowed for a reduction in the size of the program (staffing reduced by 12% since 2010) and have helped to maintain fees at the current level.

With static emissions fees and declining emissions on which the fees are paid, revenues for supporting the activities of the bureau have declined over time, and will experience a very sharp decline in the next few years. By 2017 the projected revenue shortfall will be approximately \$6 million.

OBJECTIVES AND SCOPE OF ACTIVITIES

It is expected that achievement of these objectives and scope of activities will lead to the development of recommendations that will provide for funding the air quality program for the next year and beyond. It is anticipated

that the stakeholder group will:

- a) Review current and anticipated bureau expenses necessary to support the direct and indirect costs for implementing the state air quality statutes and federal Clean Air Act programs in Iowa;
- b) Identify possible efficiencies that can be made to better streamline processes and reduce expenses while still providing necessary services and activities required for program implementation;
- c) Review similar air quality programs and fee structures administered in other states as examples of alternative funding mechanisms for the air quality program;
- d) Identify the future economic impact to consumers, businesses, and taxpayers resulting in establishing, implementing, and administering funding mechanisms necessary to support the air quality program; and
- e) Develop recommendations for ongoing program funding, and provide written findings and recommendations to DNR, by November 1, 2014. Findings may include but are not limited to recommendations for changes in statute or rules.

INVOLVEMENT BY STAKEHOLDERS AND ESTIMATED TIME COMMITMENT

To maintain continuity all stakeholder group members are asked to commit to attending all stakeholder group meetings. If a member cannot attend a meeting, a designated alternate should attend the meeting. Designated alternate stakeholder group members should have the same level of knowledge and expertise as the primary stakeholder group member and also be able to represent their organization's interests and concerns.

Stakeholder group members will be expected to represent their organization's interests and concerns. Stakeholders are responsible for consulting with their management teams to assure that the opinions they express are those of their organizations.

Stakeholder group members are encouraged to raise all of their ideas and concerns at stakeholder group meetings.

Stakeholder group meetings may typically require 4 to 5 hours (not including travel time) of group member's time. Meeting locations, dates, and times (subsequent to the July 17 meeting) will be at the discretion of the stakeholder group and the facilitator.

STAKEHOLDER GROUP FACILITATION

The DNR has selected an independent facilitator to assist the stakeholder group in accomplishing the stated objectives. The facilitator will conduct meetings in accordance with this charter and assist in keeping the stakeholder group focused on the objectives by promoting scheduled milestones. As a neutral collaborative process provider, the facilitator will not act as an advocate on any substantive issue. However, the facilitator may propose substantive and process suggestions for the stakeholder group's consideration. The facilitator may have informal communications and perform facilitation activities with stakeholder group members and DNR staff between and during meetings in an effort to achieve agreement on recommendations.

Stakeholder group members are encouraged to communicate information or concerns directly to the facilitator. The

facilitator will have the authority to mediate disagreements between stakeholder group members. Unresolved stakeholder group issues will be taken to the Director of the DNR for resolution or additional direction to the stakeholder group.

As part of the agenda, technical resource persons may present information to the stakeholder group. Participation or presentations by non-workgroup members is at the discretion of the DNR.

All stakeholder group meetings will be open to the public. Interested persons may observe meetings.

AGENCY RESPONSIBLE FOR PROVIDING ADMINISTRATIVE SUPPORT

The DNR will be responsible for administrative support. Within DNR, this support will be provided by the Air Quality Bureau (AQB) and other bureaus as needed.

DURATION AND TERMINATION

This charter will be in effect until December 1, 2014, at which time it is anticipated that the stakeholder group will be disbanded. On and after this date, the DNR may consult as needed on a case-by-case basis with stakeholder group members to facilitate preparation of reports, rulemakings, and legislative proposals.

SUBCOMMITTEES

Given the complexity of the topic there may be a need to form subcommittees of the stakeholder group members for any purpose consistent with this charter. Subcommittee meetings will occur outside of the stakeholder group meetings and will be scheduled as needed by the subcommittee members. Such subcommittees may not work independently of the chartered stakeholder group and must report their recommendations and advice to the stakeholder group for full deliberation and discussion.

Subcommittees have no authority to make decisions on behalf of the chartered stakeholder group, nor can they report directly to the DNR.

RECORDKEEPING

The DNR will maintain records of the stakeholder group, which will include agendas, presentations, technical information posted on the DNR Website, documents and reports with recommended actions, and other materials generated by the stakeholder group, subcommittees, or individual members. Chairs for established subcommittees will be responsible for maintaining records of their respective subcommittee meetings, or appointing another member of the subcommittee to do so, and shall provide all records to DNR at anytime upon request of DNR, and at the conclusion of the subcommittee's activities. Stakeholder group communications are not confidential and may be disclosed. However, the private documents of individual stakeholder group members and the facilitator generally are not considered public records if the DNR does not retain copies. Stakeholder group and subcommittee records will constitute public records available for public inspection.

RULES OF ORDER

When possible, the stakeholders group will operate relatively informally without strict adherence to formal rules of order. As long as the group can remain focused on its objectives and reach decisions while allowing everyone to participate and be heard, procedural formalities will be kept to a minimum. Except when there is conflict with this document, the rules contained in the current edition of "Robert's Rules of Order Newly Revised" will serve as an informal guide for the conduct of stakeholder meetings in situations when formal rules of order are appropriate.